

STRUCTURED INVESTMENTS

Opportunities in International Equities

PLUS Based on the iShares[®] MSCI Emerging Markets Index Fund due November 30, 2012Performance Leveraged Upside SecuritiesSM

PLUS offer leveraged exposure to a wide variety of assets and asset classes, including equities, commodities and currencies. These investments are designed to allow investors to capture enhanced returns relative to the asset's actual positive performance. The leverage typically applies only for a certain range of price performance. In exchange for enhanced performance in that range, investors generally forgo performance above a specified maximum return. At maturity, an investor will receive an amount in cash that may be greater than, equal to, or less than the stated principal amount based upon the closing value of the asset on the valuation date. The PLUS are senior unsecured obligations of JPMorgan Chase & Co., and all payments on the PLUS are subject to the credit risk of JPMorgan Chase & Co. **The investor may lose some or all of the stated principal amount of the PLUS.**

SUMMARY TERMS

Issuer:	JPMorgan Chase & Co.		
Maturity date:	November 30, 2012, subject to adjustment for certain market disruption events and as described under "Description of PLUS — Payment at Maturity" in the accompanying product supplement no. MS-9-A-II		
ETF Shares:	Shares of the iShares® MSCI Emerging Markets Index Fund		
Reference Index:	MSCI Emerging Markets Index		
Aggregate principal amount:	\$		
Payment at maturity:	<div><div></div><div>If the final share price is <i>greater than</i> the initial share price, for each \$10 stated principal amount PLUS, \$10 + leveraged upside payment <i>In no event will the payment at maturity exceed the maximum payment at maturity.</i></div><div></div><div>If the final share price is <i>less than or equal to</i> the initial share price, for each \$10 stated principal amount PLUS, \$10 × share performance factor <i>This amount will be less than or equal to the stated principal amount of \$10 per PLUS.</i></div></div>		
Leveraged upside payment:	\$10 × leverage factor × share percent increase		
Share percent increase:	(final share price – initial share price) / initial share price		
Share performance factor:	final share price / initial share price		
Initial share price:	The closing price of one ETF Share on the pricing date, divided by the adjustment factor		
Adjustment factor:	Set equal to 1.0 on the pricing date, subject to adjustment under certain circumstances. See "General Terms of Notes – Anti-Dilution Adjustments" in the accompanying product supplement no. MS-9-A-II.		
Final share price:	The closing price of one ETF Share on the valuation date		
Valuation date:	November 27, 2012, subject to adjustment for non-trading days or certain market disruption events and as described under "Description of PLUS — Payment at Maturity" in the accompanying product supplement no. MS-9-A-II		
Leverage factor:	300%		
Maximum payment at maturity:	\$12.30 to \$12.70 (123.00% to 127.00% of the stated principal amount) per PLUS. The actual maximum payment at maturity will be determined on the pricing date and will not be less than \$12.30 or greater than \$12.70 per PLUS.		
Stated principal amount:	\$10 per PLUS		
Issue price:	\$10 per PLUS (see "Commissions and issue price" below)		
Pricing date:	October , 2011 (expected to price on or about October 25, 2011)		
Original issue date:	October , 2011 (3 business days after the pricing date)		
CUSIP / ISIN:	46636T556 / US46636T5561		
Listing:	The PLUS will not be listed on any securities exchange.		
Agent:	J.P. Morgan Securities LLC ("JPMS")		
Commissions and issue price:	Price to Public ⁽¹⁾⁽²⁾	Fees and Commissions ⁽²⁾⁽³⁾	Proceeds to Issuer
Per PLUS	\$10.00	\$0.20	\$9.80
Total	\$	\$	\$

- (1) The price to the public includes the estimated cost of hedging our obligations under the PLUS through one or more of our affiliates, which includes our affiliates' expected cost of providing such hedge as well as the profit our affiliates expect to realize in consideration for assuming the risks inherent in providing such hedge. For additional related information, please see "Use of Proceeds" beginning on PS-38 of the accompanying product supplement no. MS-9-A-II.
- (2) The actual price to public and commissions for a particular investor may be reduced for volume purchase discounts depending on the aggregate amount of PLUS purchased by that investor. The lowest price payable by an investor is \$9.925 per PLUS. Please see "Syndicate Information" on page 5 for further details.
- (3) JPMS, acting as agent for JPMorgan Chase & Co., will receive a commission and will use all of that commission to allow selling concessions to Morgan Stanley Smith Barney LLC ("MSSB") that will depend on market conditions on the pricing date. In no event will the commission received by JPMS and the selling concessions to be allowed to MSSB exceed \$0.20 per \$10 stated principal amount PLUS. See "Underwriting (Conflicts of Interest)" beginning on page PS-130 of the accompanying product supplement no. MS-9-A-II.

Investing in the PLUS involves a number of risks. See "Risk Factors" on page PS-15 of the accompanying product supplement no. MS-9-A-II and "Risk Factors" beginning on page 8 of these preliminary terms.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the PLUS or passed upon the accuracy or the adequacy of this document or the accompanying prospectus supplement and prospectus. Any representation to the contrary is a criminal offense.

The PLUS are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

YOU SHOULD READ THIS DOCUMENT TOGETHER WITH THE RELATED PRODUCT SUPPLEMENT NO. MS-9-A-II, PROSPECTUS SUPPLEMENT AND PROSPECTUS, EACH OF WHICH CAN BE ACCESSED VIA THE HYPERLINKS BELOW, BEFORE YOU DECIDE TO INVEST.

Product supplement no. MS-9-A-II dated March 7, 2011: http://www.sec.gov/Archives/edgar/data/19617/000089109211001580/e42540_424b2.pdf
Prospectus supplement dated November 21, 2008: http://www.sec.gov/Archives/edgar/data/19617/000089109208005661/e33600_424b2.pdf
Prospectus dated November 21, 2008: http://www.sec.gov/Archives/edgar/data/19617/000089109208005658/e33655_424b2.pdf

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in this offering will arrange to send you the prospectus if you request it by calling toll-free (800) 869-3326.

PLUS Based on the iShares® MSCI Emerging Markets Index Fund due November 30, 2012

Performance Leveraged Upside SecuritiesSM

Investment Overview

Performance Leveraged Upside Securities

The PLUS Based on the iShares® MSCI Emerging Markets Index Fund due November 30, 2012 (the "PLUS") can be used:

- As an alternative to direct exposure to the ETF Shares that enhances returns for a certain range of positive performance of the ETF Shares.
- To enhance returns and potentially outperform the ETF Shares in a moderately bullish scenario.
- To potentially achieve similar levels of upside exposure to the ETF Shares as a direct investment, subject to the maximum payment at maturity, while using fewer dollars by taking advantage of the leverage factor.
- The PLUS are exposed on a 1:1 basis to the negative performance of the ETF Shares.

Maturity:	Approximately 13 months
Leverage factor:	300%
Maximum payment at maturity:	\$12.30 to \$12.70 (123.00% to 127.00% of the stated principal amount) per PLUS (to be determined on the pricing date)
Minimum payment at maturity:	None

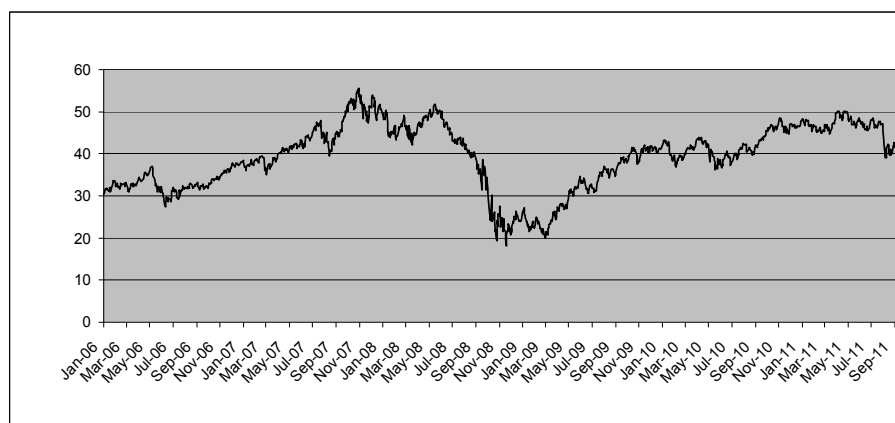
iShares® MSCI Emerging Markets Index Fund Overview

The iShares® MSCI Emerging Markets Index Fund is an exchange-traded fund managed by iShares®, Inc., a registered investment company, which seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI Emerging Markets Index (the "Reference Index"). The MSCI Emerging Markets Index is a stock index calculated, published and disseminated daily by MSCI Inc. ("MSCI") and is intended to provide performance benchmarks for certain emerging equity markets including Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey. Effective May 27, 2010, Israel has been reclassified as a developed market by MSCI. Since that date, Israel has not been included in the MSCI Emerging Markets Index.

Information as of market close on September 26, 2011:

Bloomberg Ticker Symbol:	EEM
Current ETF Share Price:	\$36.42
52 Weeks Ago:	\$44.04
52 Week High (on 4/26/2011):	\$50.20
52 Week Low (on 9/22/2011):	\$34.95

ETF Shares Historical Performance – Daily Closing Price
January 3, 2006 to September 26, 2011



Key Investment Rationale

The PLUS offer 300% leveraged upside, subject to a maximum payment at maturity of \$12.30 to \$12.70 (123% to 127% of the stated principal amount) per PLUS. The actual maximum payment at maturity will be determined on the pricing date.

Investors can use the PLUS to triple returns (excluding dividends) up to the maximum payment at maturity, while maintaining similar risk as a direct investment in the ETF Shares.

Leveraged Performance	The PLUS offer investors an opportunity to capture enhanced returns relative to a direct investment in the ETF shares within a certain range of positive performance.
Best Case Scenario	The ETF Shares increase in price and, at maturity, the PLUS pay the maximum payment at maturity of \$12.30 to \$12.70 (123% to 127% of the stated principal amount) per PLUS. The actual maximum payment at maturity will be determined on the pricing date.
Worst Case Scenario	The ETF Shares decline in price and, at maturity, the PLUS pay less than the stated principal amount by an amount proportionate to the decline.

Summary of Selected Key Risks (see page 8)

- **No guaranteed return of principal.**
- No interest or dividend payments.
- Appreciation potential is limited by the maximum payment at maturity.
- The PLUS are subject to the credit risk of JPMorgan Chase & Co., and any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the market value of the PLUS.
- Economic interests of the calculation agent and other affiliates of the issuer may be different from those of the investors.
- The inclusion of commissions and estimated cost of hedging in the original issue price is likely to adversely affect secondary market prices and you could receive less, and possibly significantly less, than the stated principal amount per PLUS if you try to sell your PLUS prior to maturity.
- The market price of the PLUS will be influenced by many unpredictable factors, including the value and volatility of the ETF Shares and dividend rate of the stocks underlying the ETF Shares and the exchange rate and volatility of the exchange rate between the U.S. dollar and the currencies in which the stocks underlying the ETF Shares trade.
- Investing in the PLUS is not equivalent to investing in the ETF Shares or the stocks underlying the ETF Shares.
- There are differences between the ETF Shares and the Reference Index.
- The PLUS are subject to currency exchange risk.
- The PLUS are subject to non-U.S. securities emerging markets risk.
- The anti-dilution protection for the ETF Shares is limited.
- Adjustments to the ETF Shares or to the Reference Index could adversely affect the value of the PLUS.
- Hedging and trading activities by the calculation agent and its affiliates could potentially affect the value of the PLUS.
- The PLUS will not be listed on any securities exchange and secondary trading may be limited.
- The tax consequences of an investment in the PLUS are unclear.

PLUS Based on the iShares® MSCI Emerging Markets Index Fund due November 30, 2012

Performance Leveraged Upside SecuritiesSM

Fact Sheet

The PLUS offered are senior unsecured obligations of JPMorgan Chase & Co., will pay no interest, do not guarantee any return of your principal at maturity and have the terms described in product supplement no. MS-9-A-II, the prospectus supplement and the prospectus, as supplemented or modified by these preliminary terms. At maturity, an investor will receive for each stated principal amount of PLUS that the investor holds, an amount in cash that may be greater than, equal to or less than the stated principal amount based upon the closing price of one ETF Share on the valuation date. The PLUS are senior notes issued as part of JPMorgan Chase & Co.'s Series E Medium-Term Notes program. All payments on the PLUS are subject to the credit risk of JPMorgan Chase & Co.

Expected Key Dates	
Pricing date: October , 2011 (expected to price on or about October 25, 2011)	Original issue date (settlement date): October , 2011 (3 business days after the pricing date)
	Maturity date: November 30, 2012, subject to postponement due to a market disruption event and as described under "Description of PLUS — Payment at Maturity" in the accompanying product supplement no. MS-9-A-II.
Key Terms	
Issuer:	JPMorgan Chase & Co.
ETF Shares:	Shares of the iShares® Emerging Markets Index Fund
Reference Index:	MSCI Emerging Markets Index
Aggregate principal amount:	\$
Issue price:	\$10 per PLUS (see "Syndicate Information" on page 5)
Stated principal amount:	\$10 per PLUS
Denominations:	\$10 per PLUS and integral multiples thereof
Interest:	None
Payment at maturity:	<ul style="list-style-type: none"> If the final share price is <i>greater than</i> the initial share price, for each \$10 stated principal amount PLUS, \$10 + leveraged upside payment <i>In no event will the payment at maturity exceed the maximum payment at maturity.</i> If the final share price is <i>less than or equal to</i> the initial share price, for each \$10 stated principal amount PLUS, \$10 × share performance factor <i>This amount will be less than or equal to the stated principal amount of \$10 per PLUS.</i>
Leveraged upside payment:	\$10 × leverage factor × share percent increase
Share percent increase:	(final share price – initial share price) / initial share price
Leverage factor:	300%
Share performance factor:	final share price / initial share price
Initial share price:	The closing price of one ETF Share on the pricing date, divided by the adjustment factor
Final share price:	The closing price of one ETF Share on the valuation date
Adjustment factor:	Set equal to 1.0 on the pricing date, subject to adjustment under certain circumstances. See "General Terms of Notes — Anti-Dilution Adjustments" in the accompanying product supplement no. MS-9-A-II.
Valuation date:	November 27, 2012, subject to adjustment for non-trading days or certain market disruption events and as described under "Description of PLUS — Payment at Maturity" in the accompanying product supplement no. MS-9-A-II
Maximum payment at maturity:	\$12.30 to \$12.70 (123.00% to 127.00% of the stated principal amount) per PLUS. The actual maximum payment at maturity will be determined on the pricing date and will not be less than \$12.30 or greater than \$12.70 per PLUS.
Postponement of maturity date:	If the scheduled maturity date is not a business day, then the maturity date will be the following business day. If the scheduled valuation date is not a trading day or if a market disruption event occurs on that day so that the valuation date as postponed falls less than three business days prior to the scheduled maturity date, the maturity date of the PLUS will be postponed until the third business day following the valuation date as postponed.
Risk factors:	Please see "Risk Factors" beginning on page 8.

PLUS Based on the iShares® MSCI Emerging Markets Index Fund due November 30, 2012
 Performance Leveraged Upside SecuritiesSM

General Information

Listing:	The PLUS will not be listed on any securities exchange.
CUSIP / ISIN:	46636T566 / US46636T5561
Minimum ticketing size:	100 PLUS
Tax considerations:	<p>You should review carefully the section entitled "Certain U.S. Federal Income Tax Consequences" in the accompanying product supplement no. MS-9-A-II. Subject to the limitations described therein, and based on certain factual representations received from us, in the opinion of our special tax counsel, Davis Polk & Wardwell LLP, your PLUS should be treated as "open transactions" for U.S. federal income tax purposes that, subject to the discussion of the "constructive ownership" rules in the following sentence, generate long-term capital gain or loss if held for more than one year. The PLUS may be treated as subject to the constructive ownership rules of Section 1260 of the Internal Revenue Code of 1986, as amended (the "Code"), in which case any gain recognized in respect of the PLUS that would otherwise be long-term capital gain and that is in excess of the "net underlying long-term capital gain" (as defined in Section 1260) would be treated as ordinary income, and an interest charge would apply as if that income had accrued for tax purposes at a constant yield over the term of the PLUS. Our special tax counsel has not expressed an opinion with respect to whether the constructive ownership rules apply to the PLUS. Accordingly, U.S. Holders should consult their tax advisers regarding the potential application of the constructive ownership rules. In addition, in 2007 Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of "prepaid forward contracts" and similar instruments, such as the PLUS. The notice focuses in particular on whether to require holders of these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments; the relevance of factors such as the nature of the underlying property to which the instruments are linked; the degree, if any, to which income (including any mandated accruals) realized by Non-U.S. Holders should be subject to withholding tax; and whether these instruments are or should be subject to the constructive ownership regime described above. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the PLUS, possibly with retroactive effect. Both U.S. and Non-U.S. Holders should consult their tax advisers regarding the U.S. federal income tax consequences of an investment in the PLUS, including the potential application of the constructive ownership rules, possible alternative treatments and the issues presented by this notice. Non-U.S. Holders should also note that they may be withheld upon at a rate of up to 30% unless they have submitted a properly completed IRS Form W-8BEN or otherwise satisfied the applicable documentation requirements.</p> <p>The discussion in the preceding paragraph, when read in combination with the discussion in "Risk Factors — The tax consequences of an investment in the PLUS are unclear" in this document and the section entitled "Certain U.S. Federal Income Tax Consequences" in the accompanying product supplement, constitutes the full opinion of Davis Polk & Wardwell LLP regarding the material U.S. federal income tax consequences of owning and disposing of PLUS.</p>
Trustee:	Deutsche Bank Trust Company Americas (formerly Bankers Trust Company)
Calculation agent:	JPMS
Use of proceeds and hedging:	<p>The net proceeds we receive from the sale of the PLUS will be used for general corporate purposes and, in part, by us or by one or more of our affiliates in connection with hedging our obligations under the PLUS.</p> <p>For further information on our use of proceeds and hedging, see "Use of Proceeds" in the accompanying product supplement no. MS-9-A-II.</p>
Benefit plan investor considerations:	See "Benefit Plan Investor Considerations" in the accompanying product supplement no. MS-9-A-II
Contact:	Morgan Stanley Smith Barney clients may contact their local Morgan Stanley Smith Barney branch office or Morgan Stanley Smith Barney's principal executive offices at 2000 Westchester Avenue, Purchase, New York 10577 (telephone number (800) 869-3326).

Syndicate Information

Issue price of the PLUS	Commissions	Principal amount of PLUS for any single investor
\$10.0000	\$0.2000	<\$1MM
\$9.9625	\$0.1625	≥\$1MM and <\$3MM
\$9.9438	\$0.1438	≥\$3MM and <\$5MM
\$9.9250	\$0.1250	≥\$5MM

MSSB may reclaim selling concessions allowed to individual brokers within MSSB in connection with the offering if, within 30 days of the offering, MSSB repurchases the PLUS distributed by such brokers.

This offering summary represents a summary of the terms and conditions of the PLUS. We encourage you to read the accompanying product supplement no. MS-9-A-II, the prospectus supplement and prospectus for this offering, which can be accessed via the hyperlinks on the front page of this document.

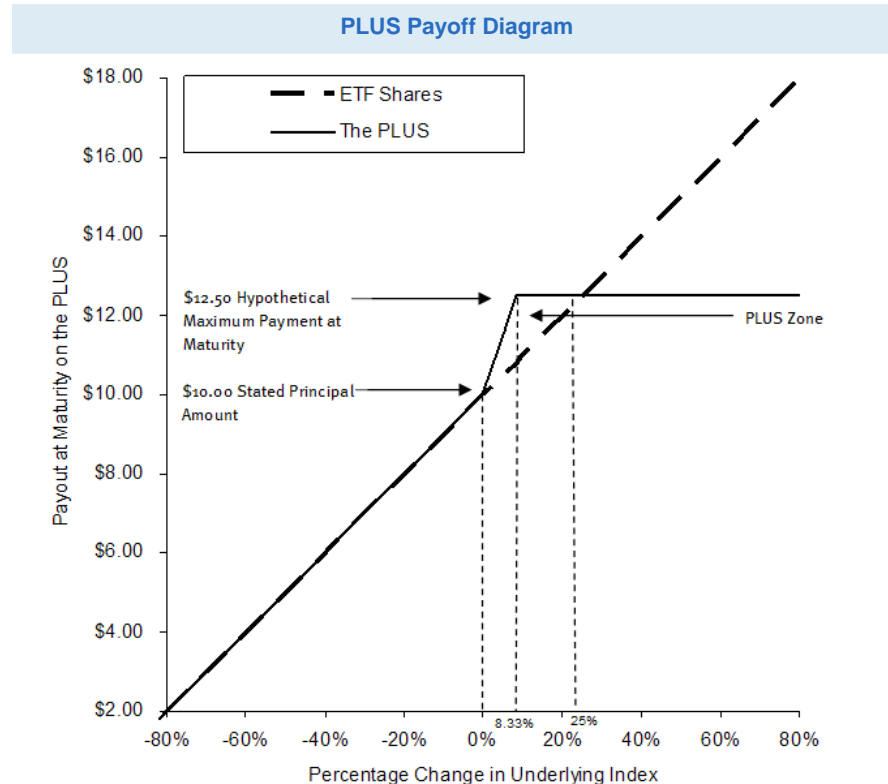
How PLUS Work

Payoff Diagram

The payoff diagram below illustrates the payment at maturity on the PLUS based on the following terms:

Stated principal amount:	\$10 per PLUS
Leverage factor:	300%
Hypothetical maximum payment at maturity:	\$12.50 (125.00% of the stated principal amount) per PLUS (which represents the midpoint of the range of \$12.30 and \$12.70)*

* If the actual maximum payment at maturity as determined on the pricing date is less than \$12.50, your return, if any, may be lower than the returns shown below.



How it works

- If the final share price is greater than the initial share price, for each \$10 principal amount PLUS, investors will receive the \$10 stated principal amount plus 300% of the appreciation of the closing price of one ETF Share over the term of the PLUS, subject to the maximum payment at maturity. In the payoff diagram, an investor will realize the hypothetical maximum payment at maturity at a final share price of approximately 108.33% of the initial share price.
 - If the final share price is greater than the initial share price by 4%, the investor will receive a 12% return, or \$11.20 per PLUS.
 - If the final share price is greater than the initial share price by 30%, the investor will receive only the hypothetical maximum payment at maturity of \$12.50 per PLUS, or 125% of the stated principal amount.
- If the final share price is less than or equal to the initial share price, the investor will receive an amount less than or equal to the \$10 stated principal amount, based on a 1% loss of principal for each 1% decline in the closing price of one ETF Share.
 - If the final share price is less than the initial share price by 10%, the investor will lose 10% of its principal and receive only \$9 per PLUS at maturity, or 90% of the stated principal amount.

The hypothetical returns and hypothetical payouts on the PLUS shown above do not reflect fees or expenses that would be associated with any sale in the secondary market. If these fees and expenses were included, the hypothetical returns and hypothetical payouts shown above would likely be lower.

Payment at Maturity

At maturity, investors will receive for each \$10 stated principal amount of PLUS that they hold an amount in cash based upon the final share price, determined as follows:

If the final share price is greater than the initial share price:

\$10 + leveraged upside payment:

subject to the *maximum payment at maturity* of \$12.30 to \$12.70 for each PLUS,

Principal		Leveraged Upside Payment		
		Principal	Leverage Factor	Share Percent Increase
\$10	+	\$10	× 300%	× $\left(\frac{\text{final share price} - \text{initial share price}}{\text{initial share price}} \right)$

If the final share price is less than or equal to the initial share price:

\$10 × share performance factor

Principal		Share Performance Factor
\$10	×	$\frac{\text{final share price}}{\text{initial share price}}$

Because the share performance factor will be less than or equal to 1.0, this payment at maturity will be less than or equal to \$10.

Risk Factors

The following is a non-exhaustive list of certain key risk factors for investors in the PLUS. For further discussion of these and other risks, you should read the section entitled "Risk Factors" beginning on page PS-7 of the accompanying product supplement no. MS-9-A-II. We also urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the PLUS.

- **PLUS do not pay interest or guarantee return of any principal and your investment in the PLUS may result in a loss.** The terms of the PLUS differ from those of ordinary debt securities in that the PLUS do not pay interest or guarantee the payment of any principal amount at maturity. If the final share price is less than the initial share price, the payout at maturity will be an amount in cash that is less than the \$10 stated principal amount of each PLUS by an amount proportionate to the decline in the closing price of one ETF Share.
- **Appreciation potential is limited by the maximum payment at maturity.** The appreciation potential of PLUS is limited by the maximum payment at maturity of \$12.30 to \$12.70 (123.00% to 127.00% of the stated principal amount) per PLUS. The actual maximum payment at maturity will be determined on the pricing date. Although the leverage factor provides 300% exposure to any increase in the final share price as compared to the initial share price at maturity, because the maximum payment at maturity will be limited to 123.00% to 127.00% of the stated principal amount for the PLUS, any increase in the final share price is by more than approximately 7.67% (in the case where the maximum payment at maturity is 123.00% of the stated principal amount) to 9.00% (in the case where the maximum payment at maturity is 127.00% of the stated principal amount) will not further increase the return on the PLUS.
- **The PLUS are subject to the credit risk of JPMorgan Chase & Co., and any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the market value of the PLUS.** Investors are dependent on JPMorgan Chase & Co.'s ability to pay all amounts due on the PLUS at maturity, and therefore investors are subject to our credit risk and to changes in the market's view of our creditworthiness. Any actual or anticipated decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to affect adversely the market value of the PLUS.
- **Economic interests of the calculation agent and other affiliates of the issuer may be different from those of investors.** We and our affiliates play a variety of roles in connection with the issuance of the PLUS, including acting as calculation agent and hedging our obligations under the PLUS. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the PLUS. The calculation agent will determine the initial share price and the final share price, and will calculate the amount of payment you will receive at maturity, if any. Any of these determinations made by the calculation agent, including with respect to the occurrence or non-occurrence of market disruption events, the selection of a successor to the ETF Shares or calculation of the final share price in the event of a discontinuance of the ETF Shares, and any anti-dilution adjustments, may affect the payout to you at maturity.
- **The inclusion in the original issue price of commissions and estimated cost of hedging is likely to adversely affect secondary market prices.** Assuming no change in market conditions or any other relevant factors, the price, if any, at which JPMS is willing to purchase PLUS in secondary market transactions will likely be lower than the original issue price, because the original issue price will include, and secondary market prices are likely to exclude, commissions paid with respect to the PLUS, as well as the estimated cost of hedging the issuer's obligations under the PLUS. In addition, any such prices may differ from values determined by pricing models used by JPMS, as a result of dealer discounts, mark-ups or other transaction costs. The PLUS are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your PLUS to maturity.
- **The market price of the PLUS is influenced by many unpredictable factors.** Several factors will influence the value of the PLUS in the secondary market and the price at which JPMS may be willing to purchase or sell the PLUS in the secondary market, including: the closing price and expected volatility of the ETF Shares, interest and yield rates, time remaining to maturity, the dividend rate of common stocks underlying the ETF Shares, interest rates generally, geopolitical conditions and economic, financial, political and regulatory or judicial events that affect the ETF Shares or equity markets generally and which may affect the final share price of the ETF Shares, the exchange rate and the volatility of the exchange rate between the U.S. dollar and the currencies in which securities underlying the ETF Shares are traded and the correlation between that rate and the prices of ETF Shares, the occurrence of certain events to the ETF Shares that may or may not require an adjustment to the adjustment factor and any actual or anticipated changes in our credit ratings or credit spreads. The price of the ETF Shares may be and has recently been volatile, and we can give you no assurance that the volatility will lessen. You may receive less, and possibly significantly less, than the stated principal amount per PLUS if you try to sell your PLUS prior to maturity.
- **Investing in the PLUS is not equivalent to investing in the ETF Shares.** Investing in the PLUS is not equivalent to investing in the ETF Shares, the Reference Index or the stocks underlying the ETF Shares or

the Reference Index. Investors in the PLUS will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to the ETF Shares, the Reference Index or the stocks underlying the ETF Shares or the Reference Index.

- **Adjustments to the ETF Shares or to the Reference Index could adversely affect the value of the PLUS.** BlackRock Fund Advisors ("BFA") is currently the investment adviser to the ETF Shares, which seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Reference Index. MSCI Inc. ("MSCI") is responsible for designing and maintaining the Reference Index. MSCI can add, delete or substitute the stocks underlying the Reference Index or make other methodological changes that could change the value of the Reference Index. Pursuant to an investment strategy or otherwise, the investment adviser to the ETF Shares may add, delete or substitute the stocks underlying the ETF Shares. Any of these actions could adversely affect the price of the ETF Shares and, consequently, the value of the PLUS.
- **There are risks associated with the ETF Shares.** Although the ETF Shares are listed for trading on the NYSE Arca, Inc. and a number of similar products have been traded on various national securities exchanges for varying periods of time, there is no assurance that an active trading market will continue for the ETF Shares or that there will be liquidity in the trading market. The ETF Shares are subject to management risk, which is the risk that the investment strategy of the investment adviser to the ETF Shares, the implementation of which is subject to a number of constraints, may not produce the intended results. These constraints could adversely affect the market price of the ETF Shares, and consequently, the value of the PLUS.
- **We have no affiliation with the ETF Shares.** To our knowledge, we are not currently affiliated with any issuers of the stocks underlying the ETF Shares. We assume no responsibility for the adequacy of the information about the ETF Shares and the Reference Index contained in these preliminary terms or in product supplement no. MS-9-A-II. You should make your own investigation into the ETF Shares and the Reference Index. We are not responsible for the ETF Shares' public disclosure of information, whether contained in SEC filings or otherwise.
- **There are differences between the ETF Shares and the Reference Index.** The ETF Shares do not fully replicate the Reference Index, may hold securities not included in the Reference Index and their performance will reflect additional transaction costs and fees that are not included in the calculation of the Reference Index, all of which may lead to a lack of correlation between the ETF Shares and the Reference Index. In addition, corporate actions with respect to the sample of equity securities (such as mergers and spin-offs) may impact the variance between the performances of the ETF Shares and the Reference Index. Finally, because the ETF Shares are traded on NYSE Arca, Inc. and are subject to market supply and investor demand, the market value of one ETF Share may differ from the net asset value per ETF Share. For all of the foregoing reasons, the performance of the ETF Shares may not correlate with the performance of the Reference Index.
- **The PLUS are subject to currency exchange risk.** Because the prices of the equity securities underlying the ETF Shares are converted into U.S. dollars for the purposes of calculating the net asset value of the ETF Shares, holders of the PLUS will be exposed to currency exchange rate risk with respect to the currencies in which securities underlying the ETF Shares are traded. Your net exposure will depend on the extent to which the currencies in which securities underlying the ETF Shares are traded strengthen or weaken against the U.S. dollar. If the U.S. dollar strengthens against the currencies in which securities underlying the ETF Shares are traded, the net asset value of the ETF Shares will be adversely affected and the amount we pay you at maturity, if any, may be reduced. Of particular importance to potential currency exchange risk are:
 - existing and expected rates of inflation;
 - existing and expected interest rate levels;
 - the balance of payments; and
 - the extent of government surpluses or deficits in the component countries and the United States of America

All of these factors are in turn sensitive to the monetary, fiscal and trade policies pursued by the governments of various component countries and the United States and other countries important to international trade and finance.

- **The PLUS entail non-U.S. securities emerging markets risk.** The equity securities that compose the ETF Shares have been issued by non-U.S. companies. Investments in securities linked to the value of such non-U.S. equity securities involve risks associated with the securities markets in those countries, including risks of volatility in those markets, governmental intervention in those markets and cross shareholdings in companies in certain countries. Also, there is generally less publicly available information about companies in some of these jurisdictions than about U.S. companies that are subject to the reporting

requirements of the SEC, and generally non-U.S. companies are subject to accounting, auditing and financial reporting standards and requirements and securities trading rules different from those applicable to U.S. reporting companies. The prices of securities in foreign markets may be affected by political, economic, financial and social factors in those countries, or global regions, including changes in government, economic and fiscal policies and currency exchange laws. Countries with emerging markets may have relatively unstable governments, may present the risks of nationalization of businesses, restrictions on foreign ownership and prohibitions on the repatriation of assets, and may have less protection of property rights than more developed countries. The economies of countries with emerging markets may be based on only a few industries, may be highly vulnerable to changes in local or global trade conditions, and may suffer from extreme and volatile debt burdens or inflation rates. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times. Moreover, the economies in such countries may differ favorably or unfavorably from the economy in the United States in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

- **Owning the PLUS is not the same as owning the ETF Shares.** Owning the PLUS is not the same as owning the ETF Shares. Accordingly, changes in the closing price of one ETF Share may not result in a comparable change of the market value of the PLUS. If the closing price of one ETF Share on any trading day increases above the initial share price, the value of the PLUS may not increase comparably, if at all. It is possible for the closing price of the ETF Shares to increase moderately while the value of the PLUS declines.
- **The anti-dilution protection for the ETF Shares is limited.** The calculation agent will make adjustments to the adjustment factor for certain events affecting the ETF Shares. However, the calculation agent will not make an adjustment in response to all events that could affect the ETF Shares. If an event occurs that does not require the calculation agent to make an adjustment, the value of the PLUS may be materially and adversely affected.
- **Hedging and trading activities by the calculation agent and its affiliates could potentially affect the value of the PLUS.** The hedging or trading activities of the issuer's affiliates and of any other hedging counterparty with respect to the PLUS on or prior to the pricing date and prior to maturity could adversely affect the value of the ETF shares, and, as a result, could decrease the amount an investor may receive on the PLUS at maturity. Any of these hedging or trading activities on or prior to the pricing date could potentially affect the initial share price and, therefore, could potentially increase the level that the final share price must reach before you receive a payment at maturity that exceeds the issue price of the PLUS. Additionally, such hedging or trading activities during the term of the PLUS, including on the valuation date, could adversely affect the final share price and, accordingly, the amount of cash an investor will receive at maturity. It is possible that such hedging or trading activities could result in substantial returns for us or our affiliates while the value of the PLUS declines.
- **Secondary trading may be limited.** The PLUS will not be listed on a securities exchange. There may be little or no secondary market for the PLUS. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the PLUS easily. JPMS may act as a market maker for the PLUS, but is not required to do so. Because we do not expect that other market makers will participate significantly in the secondary market for the PLUS, the price at which you may be able to trade your PLUS is likely to depend on the price, if any, at which JPMS is willing to buy the PLUS. If at any time JPMS or another agent does not act as a market maker, it is likely that there would be little or no secondary market for the PLUS.
- **The tax consequences of an investment in the PLUS are unclear.** There is no direct legal authority as to the proper U.S. federal income tax characterization of the PLUS, and we do not intend to request a ruling from the IRS regarding the PLUS. The IRS might not accept, and a court might not uphold, the characterization and tax treatment of the PLUS described in "Fact Sheet — General Information — Tax considerations" in this document and in "Certain U.S. Federal Income Tax Consequences" in the accompanying product supplement no. MS-9-A-II. If the IRS were successful in asserting an alternative characterization or treatment for the PLUS, the timing and character of income on the PLUS could differ materially and adversely from our description herein. Even if the characterization of the PLUS is respected, the IRS may assert that the PLUS constitute "constructive ownership transactions" within the meaning of Section 1260 of the Code, in which case any gain recognized in respect of the PLUS that would otherwise be long-term capital gain and that is in excess of the "net underlying long-term capital gain" (as defined in Section 1260) would be treated as ordinary income, and an interest charge would apply as if that income had accrued for tax purposes at a constant yield over the PLUS's term. Our special tax counsel has not expressed an opinion with respect to whether the constructive ownership rules apply to the PLUS. In addition, in 2007 Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of "prepaid forward contracts" and similar instruments, such as the PLUS. The notice focuses in particular on whether to require holders of these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments; the relevance of factors such as the nature

of the underlying property to which the instruments are linked; the degree, if any, to which income (including any mandated accruals) realized by Non-U.S. Holders should be subject to withholding tax; and whether these instruments are or should be subject to the constructive ownership regime described above. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the PLUS, possibly with retroactive effect. Both U.S. and Non-U.S. Holders should review carefully the section entitled "Certain U.S. Federal Income Tax Consequences" in the accompanying product supplement no. MS-9-A-II and consult their tax advisers regarding the U.S. federal income tax consequences of an investment in the PLUS, including the potential application of the constructive ownership rules, possible alternative treatments and the issues presented by this notice. Non-U.S. Holders should also note that they may be withheld upon at a rate of up to 30% unless they have submitted a properly completed IRS Form W-8BEN or otherwise satisfied the applicable documentation requirements.

Information about the ETF Shares and the Reference Index

The iShares® MSCI Emerging Markets Index Fund. The iShares® MSCI Emerging Markets Index Fund is an exchange-traded fund managed by iShares®, Inc. ("iShares"), a registered investment company. iShares consists of numerous separate investment portfolios, including the iShares® MSCI Emerging Markets Index Fund. BlackRock Fund Advisors ("BFA") is currently the investment adviser for the iShares® MSCI Emerging Markets Index Fund. This fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI Emerging Markets Index. Information provided to or filed with the SEC by iShares pursuant to the Securities Act of 1933 and the Investment Company Act of 1940 can be located by reference to the SEC file numbers 033-97598 and 811-09102, respectively, through the SEC's website at <http://www.sec.gov>. In addition, information may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents. We make no representation or warranty as to the accuracy or completeness of such information. The iShares® MSCI Emerging Markets Index Fund is described under the heading "The iShares® MSCI Emerging Markets Index Fund" in the accompanying product supplement no. MS-9-A-II.

These preliminary terms relate only to the PLUS offered hereby and do not relate to the ETF Shares. We have derived all disclosures contained in these preliminary terms regarding iShares from the publicly available documents described in the preceding paragraph. In connection with the offering of the PLUS, neither we nor the agent has participated in the preparation of such documents or made any due diligence inquiry with respect to iShares. Neither we nor the agent makes any representation that such publicly available documents or any other publicly available information regarding iShares is accurate or complete. Furthermore, we cannot give any assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available documents described in the preceding paragraph) that would affect the trading price of the ETF Shares (and therefore the price of the ETF Shares at the time we price the PLUS) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning iShares could affect the value received at maturity with respect to the PLUS and therefore the trading prices of the PLUS.

Neither we nor any of our affiliates makes any representation to you as to the performance of the ETF Shares.

We and/or our affiliates may presently or from time to time engage in business with iShares. In the course of such business, we and/or our affiliates may acquire non-public information with respect to iShares, and neither we nor any of our affiliates undertakes to disclose any such information to you. In addition, one or more of our affiliates may publish research reports with respect to the ETF Shares. The statements in the preceding two sentences are not intended to affect the rights of investors in the PLUS under the securities laws. As a prospective purchaser of the PLUS, you should undertake an independent investigation of iShares as in your judgment is appropriate to make an informed decision with respect to an investment in securities linked to the ETF Shares.

iShares® is a registered trademark of BlackRock Institutional Trust Company, N.A. ("BTC"). The PLUS are not sponsored, endorsed, sold, or promoted by BTC. BTC makes no representations or warranties to the owners of the PLUS or any member of the public regarding the advisability of investing in the PLUS. BTC has no obligation or liability in connection with the operation, marketing, trading or sale of the PLUS.

The MSCI Emerging Markets Index. The MSCI Emerging Markets Index is a stock index calculated, published and disseminated daily by MSCI and is intended to provide performance benchmarks for certain emerging equity markets including Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey. Effective May 27, 2010, Israel has been reclassified as a developed market by MSCI. Since that date, Israel has not been included in the MSCI Emerging Markets Index. The MSCI Emerging Markets Index is described under the heading "The MSCI Indices" in the accompanying product supplement no. MS-9-A-II.

PLUS Based on the iShares® MSCI Emerging Markets Index Fund due November 30, 2012
 Performance Leveraged Upside SecuritiesSM

Historical Information

The following table sets forth the published high and low closing prices, as well as end-of-quarter closing prices, of the ETF Shares for each quarter in the period from January 3, 2006 through September 26, 2011. The closing price of one ETF Share on September 26, 2011 was \$39.04. We obtained the information in the table below from Bloomberg Financial Markets, without independent verification. The historical closing prices of one ETF Share should not be taken as an indication of future performance, and no assurance can be given as to the closing price of one ETF Share on the valuation date.

iShares® MSCI Emerging Markets Index Fund	High (\$)	Low (\$)	Period End (\$)
2006			
First Quarter	33.5900	30.4333	33.0167
Second Quarter	37.0333	27.3367	31.2300
Third Quarter	33.1367	29.2000	32.2867
Fourth Quarter	38.1500	31.8033	38.1033
2007			
First Quarter	39.5267	35.0333	38.7500
Second Quarter	44.4200	39.1333	43.8200
Third Quarter	50.1133	39.4967	49.7800
Fourth Quarter	55.6433	47.2700	50.1000
2008			
First Quarter	50.3667	42.1667	44.7933
Second Quarter	51.7000	44.4333	45.1933
Third Quarter	44.4333	31.3300	34.5300
Fourth Quarter	33.9000	18.2200	24.9700
2009			
First Quarter	27.0900	19.9400	24.8100
Second Quarter	34.6400	25.6500	32.2300
Third Quarter	39.2900	30.7500	38.9100
Fourth Quarter	42.0700	37.5600	41.5000
2010			
First Quarter	43.2200	36.8300	42.1200
Second Quarter	43.9800	36.1600	37.3200
Third Quarter	43.7000	37.5900	43.6000
Fourth Quarter	48.5800	44.7700	47.6200
2011			
First Quarter	48.6900	44.6300	48.6900
Second Quarter	50.2100	45.5000	47.6000
Third Quarter (through September 26, 2011)	48.4600	34.9500	36.4200

Supplemental Plan of Distribution

Subject to regulatory constraints, JPMS intends to use its reasonable efforts to offer to purchase the PLUS in the secondary market, but is not required to do so.

We or our affiliate may enter into swap agreements or related hedge transactions with one of our other affiliates or unaffiliated counterparties in connection with the sale of the PLUS and JPMS and/or an affiliate may earn additional income as a result of payments pursuant to the swap or related hedge transactions. See "Use of Proceeds" beginning on page PS-38 of the accompanying product supplement no. MS-9-A-II.

Where You Can Find More Information

You may revoke your offer to purchase the PLUS at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the PLUS prior to their issuance. In the event of any changes to the terms of the PLUS, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes in which case we may reject your offer to purchase.

You should read this document together with the prospectus dated November 21, 2008, as supplemented by the prospectus supplement dated November 21, 2008 relating to our Series E medium-term notes of which these PLUS are a part, and the more detailed information contained in product supplement no. MS-9-A-II dated March 7, 2011.

This document, together with the documents listed below, contains the terms of the PLUS and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, stand-alone fact sheets, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Risk Factors" in the accompanying product supplement no. MS-9-A-II, as the PLUS involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the PLUS.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

- Product supplement no. MS-9-A-II dated March 7, 2011:
http://www.sec.gov/Archives/edgar/data/19617/000089109211001580/e42540_424b2.pdf
- Prospectus supplement dated November 21, 2008:
http://www.sec.gov/Archives/edgar/data/19617/000089109208005661/e33600_424b2.pdf
- Prospectus dated November 21, 2008:
http://www.sec.gov/Archives/edgar/data/19617/000089109208005658/e33655_424b2.pdf

Our Central Index Key, or CIK, on the SEC website is 19617.

As used in this document, the "Company," "we," "us" and "our" refer to JPMorgan Chase & Co.

"Performance Leveraged Upside SecuritiesSM" and "PLUSSM" are service marks of Morgan Stanley.